



GLOBAL SHARE PLAN
Powered by Lovinklaan Foundation

TAX INFORMATION SUPPLEMENT 2020 CANADA



This supplement has been prepared to provide you with a summary of the tax consequences of the Global Share Plan ("Plan"). The description of the tax consequences is not decisive when completing your personal income tax return. All capitalized terms used herein are used as they are defined or used in the Plan.

This supplement is based on tax laws in effect in Canada as of 1 January 2020. It does not necessarily address all local tax laws that may apply to you. Such laws are often complex and can change frequently. As a result, the information contained in this summary may be out of date at the time you participate in the Plan, acquire shares, receive dividends or sell shares acquired under the Plan.

Please note that this supplement is general in nature and does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and Arcadis NV is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax laws in your country apply to your specific situation.**

If you are a citizen or resident of another country, the information contained in this supplement may not be applicable to you.

TAX INFORMATION

1 DATE OF GRANT

On the date you enroll in the Plan and are granted a right to purchase shares in Arcadis NV against a discounted purchase price, you should not be subject to taxation (by virtue of the enrollment itself).

2 PURCHASE DATE

On the date your accumulated savings are used to purchase whole or fractional shares in Arcadis NV against a discounted purchase price, you will acquire the shares and will be subject to taxation on the spread, i.e., the difference between the fair market value of the purchased Arcadis NV shares and the discounted purchase price. The spread will be treated as employment compensation and will be subject to income tax at ordinary combined (federal and provincial) progressive income tax rates up to 54.00 % and social security contributions (if any).

EXAMPLE TAX CALCULATION

(assuming a marginal tax rate of 50%)

• Monthly contribution	CAD 150
• Closing trading price at purchase/acquisition	CAD 37.50
• Amount paid per share (CAD 37.50 – 20% discount)	CAD 30
• Shares purchased (CAD 150: CAD 30)	5



• Total monthly (gross) taxable benefit 5 x (CAD 37.50 – CAD 30)	CAD 37.50
• Total taxes due (50% x CAD 37.50)	CAD 18.75
• Value received (5 x CAD 37.50)	CAD 187.50
• Paid (CAD 150 + CAD 18.75)	CAD 168.75
= Net benefit at purchase	CAD 18.75

3 TAX WITHHOLDING AND REPORTING

In general, shortly after the purchase date the local employer in Canada will be required to report to the relevant Canadian tax authorities the difference between the fair market value of the acquired Arcadis NV shares and the (discounted) purchase price as taxable benefits and will be required to withhold income tax and social security contributions (if applicable) in connection with these amounts. You will be required to report the taxable benefits in your income tax return for the year of purchase and to pay any additional tax. If you hold “specified foreign property” (which would include the Arcadis NV shares) during the year with a cost amount of more than CAD 100,000 you are required to comply with the reporting requirements of s.233.1 of the Income Tax Act (Canada) including the filing of Form T1135.

4 TAX ON SALE OF SHARES

Gains realized upon the sale of Arcadis NV shares are subject to tax. When you become the owner of record of Arcadis NV shares, you will have an adjusted cost base (“ACB”) in the shares acquired for Canadian capital gains tax purposes. Your ACB will generally be equal to the fair market value of the Arcadis NV shares on the date of purchase, plus any brokerage fees, if you do not already own other Arcadis NV shares. If you do own other Arcadis NV shares at the time of purchase, your ACB will generally be the weighted average cost of all of the Arcadis NV shares that you own.

Upon the sale of the ARCADIS NV shares, 50% of any gain – generally determined as the difference between the amounts realized (less any broker’s fees) and your ACB in the ARCADIS NV shares – will be taxed at your combined (federal and provincial) marginal rate. If you have a loss, 50% of any capital loss is deductible only against taxable capital gains and must be used to offset taxable capital gains realized during the same year. Any unused allowable capital losses may be carried back 3 years or carried forward indefinitely against taxable capital gains.

ASSUME SHARES SOLD AT CAD 200 (assuming a combined marginal tax rate of 50%)

• Gain (CAD 200 – CAD 187.50)	CAD 12.50
• Taxable portion of gain (CAD 12.50: 2)	CAD 6.25
• Tax at marginal rate (CAD 6.25 x 50%)	CAD 3.13

You will be responsible for reporting and paying the tax associated with the capital gain (or loss) on the ultimate sale of Arcadis NV shares to the appropriate Canadian tax authorities.

5 DIVIDENDS

Any dividends received on your Arcadis NV shares shall be subject to a Dutch dividend withholding tax of 15%. Under certain statutory conditions, the dividend may be exempt from Dutch dividend withholding tax. You will be informed about the amount of Dutch dividend tax actually withheld. You will generally also be subject to income tax in Canada on the dividends and will be responsible for reporting the dividends to the appropriate Canadian tax authorities and paying the applicable tax. It may be possible to credit the Dutch dividend withholding tax against your Canadian income taxes due in respect of the dividends paid on the Arcadis NV shares during the same calendar year.

6 EXCHANGE CONTROL INFORMATION

In general, you should not be subject to any foreign exchange requirements in connection with the Plan.

7 MISCELLANEOUS

Your Arcadis NV shares are registered at the following account: 02300000012813S2